

INFORMATION BULLETIN

WORKFORCE INVESTMENT ACT

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TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: RECOVERY OF WIA TUITION AND TRAINING REFUNDS

The purpose of this bulletin is to remind Local Workforce Investment Areas and other subrecipients of the requirement to recover Workforce Investment Act (WIA) training refunds for early participant dropouts. In accordance with federal requirements, local program operators must have systems in place to recover WIA tuition and training amounts, including individual training account refunds, for participants who drop out of training early enough to receive a refund. These are payments for which no benefit has been realized and, as such, are not allowable, nor allocable to the WIA program. In a recent monitoring review, the Department of Labor found that some local program operators have not established procedures for recovering such training refunds. Subsequently, the Department of Labor issued a finding instructing the State to develop policies and procedures governing the recovery of training refunds.

This information bulletin represents the first step in notifying local areas that each entity must ensure the recovery of refunds in accordance with the agreement or contract they have with their training providers and/or the provider's refund policy. In addition, the State will develop and issue a directive to provide additional information about recovering refunds as required by the Office of Management and Budget circulars.

If you have any questions regarding this bulletin, please contact your Regional Advisor or Program Manager at (916) 653-6347.

/S/ BOB HERMSMEIER
Chief
Workforce Investment Division